

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Order Instituting Rulemaking on policies and practices for advanced metering, demand response, and dynamic pricing.

Rulemaking 02-06-001
(Filed June 6, 2002)

**ASSIGNED COMMISSIONER'S RULING
INVITING FILING OF ADVICE LETTERS TO IMPLEMENT
ADDITIONAL DEMAND RESPONSE PROGRAMS IN SUMMER 2004**

On June 2, 2004, Administrative Law Judge (ALJ) Cooke issued a ruling setting forth the schedule for reviewing the programs proposed by the utilities for 2005. That schedule would result in adopted programs in January 2005 for Summer 2005. I support this schedule but continue to receive information outside of this proceeding, such as the California Energy Commission's Summer Update of June 3, 2004, that leads me to be concerned about the possibility of supply shortages this summer. Given this information, I think it is useful to examine whether consideration of programs proposed for Summer 2005 implementation should be instead considered for implementation for at least part of this summer.

After reviewing the 2005 programs with the ALJ and staff, I invite, but do not require, all three utilities to submit advice letters within five business days of this ruling to implement programs that achieve demand response through Advanced Load Control (as proposed by Southern California Edison Company (SCE)) and expansion of Smart Thermostat programs (as proposed by SCE and San Diego Gas & Electric Company). Should any utilities choose to submit advice letters to implement these types of programs, they must ensure that the

control and communications technologies utilized have the capability to receive both price and load control signals, customer override signals, and upward/forward compatibility with advanced meters and control systems. In addition, the utilities should include in their advice letters all of the details necessary for a full evaluation of the program design, including strategies for marketing and roll-out, technology specifications, and detailed cost information, at a minimum.

If any utility does submit an advice letter to implement these types of programs within five business days, the advice letters will be considered on a compressed schedule, with protests due ten days after filing and replies due three days after protests are filed. Energy Division should shorten the comment period on its draft resolution, if necessary, to allow action at the earliest Commission meeting possible.

Therefore, **IT IS RULED** that:

1. Consistent with the guidance set forth herein, the utilities may file advice letters to implement programs that achieve demand response through Advanced Load Control and expansion of Smart Thermostat programs within five business days of the date of this ruling.
2. If advice letters are filed, protests are due ten days after the advice letters were filed and replies are due three days thereafter. The comment period on the draft advice letter may be shortened by Energy Division, as needed, to expedite Commission action on the advice letters.

Dated June 4, 2004, at San Francisco, California.

/s/ MICHAEL R. PEEVEY

Michael R. Peevey
Assigned Commissioner

CERTIFICATE OF SERVICE

I certify that I have by mail, and by electronic mail to the parties to which an electronic mail address has been provided, this day served a true copy of the original attached Assigned Commissioner's Ruling Inviting Filing of Advice Letters to Implement Additional Demand Response Programs in Summer 2004 on all parties of record in this proceeding or their attorneys of record.

Dated June 4, 2004, at San Francisco, California.

/s/ KE HUANG

Ke Huang

N O T I C E

Parties should notify the Process Office, Public Utilities Commission, 505 Van Ness Avenue, Room 2000, San Francisco, CA 94102, of any change of address to ensure that they continue to receive documents. You must indicate the proceeding number on the service list on which your name appears.